

sheet submitted to us by the bank's officials as of this day shows that deposits already amount to P800,000.

The new bank is an exclusively Filipino enterprise, Filipino financed and managed. *Dr. Nicanor Jacinto*, a wealthy real estate owner, and rice and sugar producer, is the Chairman of the Board. *Jose Cojuangco*, also a director, is listed as Treasurer. Mr. Cojuangco comes from the wealthy Cojuangco family of Tarlac, one of the largest palay producers of Central Luzon, operating a number of rice mills in Tarlac, Nueva Ecija and Pangasinan. He is also the general manager of the Paniqui Sugar Mills, Inc., which is exclusively Cojuangco-owned. *Antonio Cojuangco*, brother of Jose, is another director. *Ernesto and Vicente Rufino* are also members of the board. *Ernesto D. Rufino* is assistant treasurer. The Rufinos are owners and operators of the State and Grand theaters in Manila, and also operate a number of smaller picture houses in the city. They are now constructing an eight-story building on Rizal Avenue, which will house a hotel, and also what will probably be the largest motion-picture house in the Orient.

Arsenio J. Jison, another board member, is a sugar hacendero from Occidental Negros. He was for many years a ranking officer of the Philippine National Bank. *Miguel Cuaderno*, president, is one of the best-known figures of Cosmopolitan Manila. He was formerly vice-president of the Philippine National Bank, and in recent years has devoted his time to the brokerage business. *Alfonso Calalang*, vice-president, has long been associated with Mr. Cuaderno in his various enterprises. *Lorenzo Sumulong*, cashier, is a practising attorney.

The bank occupies a portion of the lower floor of the new Calvo Building on the Escolta. The premises are unpretentious, yet dignified and obviously planned for maximum efficiency. The vault occupies the center of the bank premises, placing the tellers' counters and the customers' lobby and the foreign department on the Escolta side of the building. The other half, facing the Muelle del Banco Nacional is taken up by the offices of the personnel, directors' room and the loan department. The entire premises was obviously carefully planned by a banker to secure adequate supervision and efficient operation with a minimum of personnel.

Nearly every bank in the Philippines occupies some unique position.

That is to say, most of the local banks specialize, to a greater or lesser degree, in some particular activity. So with the Philippine Bank of Commerce which, according to its organizers, will pay special attention to the granting of loans at moderate rates



MIGUEL CUADERNO
President, Philippine Bank of Commerce

of interest to planters of palay in the principal palay-producing provinces of Luzon, so as to enable them to market their produce at the proper time, and not be forced to pay advances made to them by local money lenders in palay immediately after harvest, at which time the price of that commodity is usually low. This does not mean, however, that other

fields of activity will be neglected, for the new bank is fully equipped to engage in every department of modern banking. It has correspondents in every important city in the world.

The Nationalistic character of the enterprise is evidenced by the following statement, made by Dr. Nicanor Jacinto, at the time of the opening of the bank two months ago: "Very few of us perhaps realize the seemingly unbelievable fact that hardly 20% of the total imports and exports of the country is financed by domestic banks. This is indeed anomalous, for under this state of affairs we cannot hope to have a larger share of the commerce of the country".

Monte de Piedad y Caja de Ahorros de Manila ("Monte de Piedad").

This bank, to the same extent as the old Banco de las Islas Filipinas, has a most interesting history, and, in a way, furnishes a link between the old banking system which existed here during Spanish times, and the banking institutions carrying on today. A free translation of the official name is "The Institution for the Loaning of Money to the Poor, and Depository of Thrift of Manila." Montes de Piedad are a familiar Latin institution. Strictly speaking, they are pawnshops, loaning money principally to the poor, and with interest rates kept within certain bounds. The civil code of Spain and the old Spanish code of commerce—both in force here—contain special

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provisions relative to Montes de Piedad. The Monte de Piedad here is entirely dissimilar to these institutions, and better resembles a bank, although it retains its Spanish connections, and is almost entirely managed by Spaniards.

The Monte de Piedad was founded here on August 2, 1882, by a group of powerful Spaniards, including Don Fray Pedro Payo, Archbishop of Manila, chairman, Don Rafael Rodriguez Arias, naval district commander, the then Civil governor of the archipelago, the Brigadier General of Artillery, the Rev. Fray Joaquin Fonesca, Rector of the "Royal and Pontifical University of Santo Tomas," and laymen Laureano Carlos de Oglou, Antonio Ortiz de Zarate, Baltazar Giraudier and Rafael Ortega Diaz. These people, with one other priest whose name nobody seems to remember today, constituted the organization board of the institution.

The bank is not a commercial bank, as are most of the other banks of the city. It does not finance, to any appreciable extent, imports or exports, issue letters of credit, bills of exchange, or engage in the other commercial activities of a commercial bank. It loans money which it receives on savings deposits or on fixed deposits out at interest on jewelry and other personal property, and on real estate. Deposits have grown steadily since the bank's organization: a year after it was founded, deposits amounted to P10,566.76. By 1897 this figure had increased to over a million pesos, which, in turn, mounted to P2,376,402.59 in 1911, P5,633,925.99 in 1918, and P9,786,004.83 in 1933.

During Spanish times, and for many years after the American Occupation, the Monte de Piedad conducted a pawn-broking business in addition to its other activities. Interest rates were reasonable, and many a Spanish and Filipino family were in the habit of taking their jewels and other valuable paraphernalia down to the Monte de Piedad when temporarily embarrassed. It was a form of insurance: you bought jewels when you had money, and when you were broke you took them down to the Monte de Piedad and left them there until you were flush again. Then you bailed out your jewels and bought some more. It worked probably as well as any system yet devised for providing for a rainy day. Transactions were dignified and conducted for the most part, on a high plane of mutual respect between lender and borrower, based on long acquaintance and previous similar business associations. Things are much the same today.

The Monte de Piedad conducts much of the business of the Catholic

Church within the Islands. This is but natural, since the connection between the Church and the bank has always been very close. Officials now directing matters are: Luis Ablaza, managing director, Mauro Blardony y Paredes, Accountant and Secretary, and Jose Ma. L. de Moreta, Treasurer. But it is stated that, "this management is subservient to the Executive Committee, Council of Administration, and, above all, the Protector," who is the Archbishop.

The bank's premises (also occupied by the Philippine Trust Company) on Plaza Goiti are of architectural, as well as historical interest. According to Mr. A. Gabler-Gumbert, architect, the building is "the only authentic example of classical renaissance period in Manila." The Intendencia building also can be said to belong to renaissance period, but the Monte de Piedad building features Greek fluted columns in true classical style. The building has housed various enterprises in its time, besides the Monte de Piedad and the Philippine Trust Company, including the short-lived Central Stock Exchange. The Monte de Piedad sold these premises over a year ago, and move to a new location on Plaza Sta. Cruz adjacent to the Cine "Oro" and Manila Motor Company.

Philippine Trust Company

The Philippine Trust Company was organized and incorporated late in the year 1916, for the purpose of carrying on a trust business such as trusteeship, receivership and to act as depository, guardian, executor, administrator and such other fiduciary capacities generally undertaken by trust companies. Trust business in the Philippines was unknown prior to the establishment of the Philippine Trust Company, the idea having been conceived by a group of Americans, headed by *Phil. C. Whitaker, Julius S. Reis, Thos. L. Hartigan* and *W. H. Lawrence* who have figured prominently in Philippine business and in the legal profession. The Philippine Trust Company has done much toward educating the general public in this kind of business, and from a meager beginning the Trust Company now handles 1023 trusts in the total amount of approximately P1,463,504.73, not including, of course, the other trusts carried by other local banks, and also excluding the Bank's fixed Trusts.

During the early part of 1920, the Philippine Trust Company undertook to organize a banking department, having engaged for this purpose an expert banker in the person of *J. Elmer Delaney* who formerly was connected with the Philippine National Bank as Vice-President and General Manager, and a group of other persons. It was not until September, 1920, however, that the Bank moved from its quarters on Calle Pinpin, corner Muelle del Banco National, to the Monte de Piedad Building when it was fully organized as a regular commercial banking institution. The growth of the Trust Company can be discerned from the following figures:

Year	Amount of Deposits	Resources
12/31/20	P 593,130.30	P 1,732,833.37
12/31/25	4,752,302.43	13,174,521.46
12/31/30	6,230,268.02	11,749,944.66
12/31/35	7,141,116.69	10,800,491.93
12/31/37	8,495,250.37	14,210,315.55

The Philippine Trust Company was originally capitalized in the amount of P500,000 which later was increased to P1,000,000 in order to keep pace with its rapid development. At present it is considered one of the leading banks in the City.

The first president of the Philippine Trust Company was *Phil. C. Whitaker* followed by *M. H. O'Malley, Wm. T. Notting, Geo. C. Dankwerth* and the present incumbent, *E. B. Ford*.

The present officers and the directors of the Philippine Trust Company are as follows:

E. B. Ford, President
P. M. Poblete, Vice-President & Secretary
F. Ossorio, Treasurer
I. O. Guzman, Asst. Trust Officer
Carlos Young, Manager, Foreign Department
J. L. Corpus, Chief Accountant.
 Directors:

Luis Ablaza
 Director, Monte de Piedad and Savings Bank
 Director, Bank of the Philippine Islands
E. J. Deymek
 Auditor, Manila Electric Co.
 Director, Bank of the Philippine Islands
 Director, Monte de Piedad and Savings Bank
E. B. Ford, President
Leopoldo Kahn
 First Vice-President and General Manager, Levy Hermanos, Inc. (Estrella del Norte) and